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## OPEN MEETING

ORIGINAL

## MEMORANDUM

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AZ CORP COMMISSION

DOCKET CONTROL

Arizona Corporation Commission

TO: THE COMMISSION

DOCKETED

2014 OCT 24 PM 4:11

FROM: Utilities Division

OCT 24 2014

DATE: October 24, 2014

DOCKETED BY

RE: IN THE MATTER OF SULPHUR SPRINGS VALLEY ELECTRIC COOPERATIVE, INC.'S APPLICATION FOR APPROVAL OF THE PROPOSED 2010 REST PLAN (WHICH INCLUDES 2010 REST TARIFFS) AND THE NET METERING TARIFF ---FOR APPROVAL OF A NET METERING TARIFF-PETITION TO AMEND DECISION NO. 71463 PURSUANT TO A.R.S. § 40-252 (DOCKET NO. E-01575A-09-0429)

Introduction

On September 15, 2014, Sulphur Springs Valley Electric Cooperative, Inc. ("SSVEC" or the "Cooperative") filed a petition to amend Decision No. 71463 pursuant to A.R.S. § 40-252 ("2014 Petition"). Specifically, SSVEC requests that the Arizona Corporation Commission ("Commission") amend Decision No. 71463, dated January 26, 2010, to eliminate the March true-up option for new (those customers requesting to be net metered after the date of a Commission order amending Decision No. 71463) SSVEC net metered customers. New net metering customers would be required to use September as the true-up month going forward. Existing net metering customers having March as their true-up month (those enrolled as net metered prior to the date of a Commission order amending Decision No. 71463) will be able to keep March as a true-up month. SSVEC will also allow customers, prior to enacting the grandfathering, with a September true-up month to switch to a March true-up month if that is more economical for the customer.

SSVEC is a member-owned Arizona non-profit cooperative with its principal business office in Willcox, Arizona. SSVEC is a public service corporation providing electric distribution service to approximately 51,000 customers in parts of Cochise, Santa Cruz, Pima and Graham counties. SSVEC's Board of Directors oversees all aspects of SSVEC's operations.

Background for Modification to Decision No. 71463

On September 4, 2009, SSVEC filed an application with the Commission requesting approval of a Net Metering Tariff along with a proposed 2010 Renewable Energy Standards and Tariff ("REST") Implementation Plan ("2010 REST Plan"). SSVEC amended its Net Metering Tariff filing on December 16, 2009. SSVEC's Net Metering Tariff was approved by the Commission in Decision No. 71463, dated January 26, 2010 and most recently revised with updated avoided costs in Decision No. 74704, dated August 26, 2014.

Net Metering allows electric utility customers to be compensated for generating their own energy from renewable resources, fuel cells, or Combined Heat and Power. If the customer's energy production exceeds the energy supplied by SSVEC during a billing period, the customer's bill for subsequent billing periods is credited for the excess generation. That is, the excess kWh generated

during the billing period is used to reduce the kWh billed by SSVEC during subsequent billing periods.

In accordance with Decision No. 71463, SSVEC's net metered customers have the option of selecting either September or March (or for a customer's final bill upon discontinuance of service), as the true-up month for the balance of any remaining excess kWh. SSVEC credits the customer for any remaining excess kWh at SSVEC's annual average avoided cost, which is specified in the Net Metering Tariff. Arizona Administrative Code R14-2-2302(1) defines avoided cost as "the incremental cost to an Electric Utility for electric energy or capacity or both which, but for the purchase from the Net Metering facility, such utility would generate itself or purchase from another source."

Presently, SSVEC is unique among Arizona electric utilities by having two true-up periods (i.e. March and September). Decision No. 71463, dated January 26, 2010, required SSVEC to offer customers a choice between a winter (March) true-up and a summer (September) true-up under Decision No. 71463 dated January 26, 2010.

On July 1, 2014, SSVEC filed an application in Docket No. E-01575A-14-0232 for approval to (1) update the avoided cost that is contained in its Net Metering Tariff; (2) add a Fixed Cost Recovery Fee; and (3) designate September as the only true-up month.

In Decision No. 74704, dated August 26, 2014, SSVEC's application was denied in part by the Commission. Decision No. 74704 granted the updated Net Metering Avoided Cost of \$0.0307 per kWh to be effective September 1, 2014. However, Decision No. 74704 denied SSVEC's request in the same docket to eliminate the March true-up for net metered customers and the implementation of a Fixed Cost Recovery Fee. Both items were denied without prejudice allowing SSVEC to file a new application for each item in the future.

On October 16, 2014, during the Commission Staff Meeting, the Commission voted to reconsider Decision No. 71463 pursuant to A.R.S. § 40-252.

#### Background for the Elimination of the March True-Up

Since the implementation of SSVEC's net metering tariff in January 2010, SSVEC's net metered customers have had the option of selecting one of two true-up months: either March or September. Customers indicate at the time that they sign up to participate in the Net Metering Tariff which month they would like as the true-up month. The true-up rate, as stated above, credits the customer for any remaining excess kWh at SSVEC's annual average avoided cost. The true-up rate is the same whether the customer chooses a March true-up month or a September true-up month.

In the 2014 Petition, SSVEC stated that SSVEC originally selected September as its preferred month for the annual true-up. During the January 12, 2010 Open Meeting, one customer indicated a desire to true-up his net metering account in March rather than September because the customer wanted to utilize excess kWh during the winter months rather than cash out the excess kWh at the wholesale avoided cost. SSVEC further stated that based upon this one request, an

amendment was offered and approved by the Commission establishing two true-up month options for net metered customers. SSVEC is currently the only utility with an option between two true-up months instead of a single true-up month.

SSVEC further stated that having two true-up months has led to confusion among its customers. The Cooperative has found that some customers have forgotten which true-up month they selected while others mistakenly think they will be subject to two true-ups during the year. In addition, SSVEC believes that rooftop solar installers are accustomed to working with other utilities that only offer one true-up month so many installers are not aware that SSVEC has two true-up months to select from and are not advising customers which month to select that best matches the customer's usage pattern.

#### Notice

In its 2014 Petition, SSVEC included Attachment 1 detailing the notice that was going to be mailed to net metered customers and intervenors. The notice explains that SSVEC is petitioning to amend Decision No. 71463 to eliminate the March true-up month option for net metered customers and the reasoning for requesting the change. The notice also detailed how to obtain a copy of the petition and how to submit comments and/or request to intervene. The notice was mailed on September 29, 2014. The notice was also published in the Sierra Vista Herald, the San Pedro Valley News-Sun, and the Arizona Range News on September 24, 2014 and is available on SSVEC's website.

#### Staff Analysis of the Modification to Decision No. 71463

Staff has reviewed SSVEC's 2014 Petition. Staff's analysis included an examination of why the two true-up months were put in place in Decision No. 71463 in January 2010. In addition, Staff looked at who is currently utilizing the March true-up month to see if there are potential customers who may be harmed by not having that option going forward.

SSVEC is the only utility currently with a requirement to offer two true-up months to select from when enrolling in the net metering tariff (other utilities' true-up month varies throughout the year). While the exact comments of the customers in attendance at the Open Meeting are not available for a complete review, Staff is aware that there was concern at the Open Meeting about customers who showed an interest in being able to utilize excess kWh throughout the winter months and true-up in March. There was enough concern expressed that one Commissioner offered an amendment which passed and was incorporated into Decision No. 71463 on page 5 in paragraph 14.

In addition to comments being expressed during Open Meeting, comments were also filed in Docket No. E-01575A-09-0429, SSVEC's 2010 REST Plan and net metering tariff application docket. Comments were filed in support of and against the 2010 REST Plan. There were limited comments that referred directly to the true-up month for the proposed net metering tariff. One particular comment docketed on December 24, 2009, detailed a concern over the impact of a September true-up on net-zero energy customers who heat with electricity. Customers with electric heat may have a preference to carry over excess kWh from the summer months, if any are available, to the winter months when they are using kWh to heat their homes. A September true-up would

## THE COMMISSION

October 24, 2014

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not facilitate carry over for those customers. The comments were from a developer of a net-zero energy community in SSVEC's service territory.

Secondly, Staff looked specifically at SSVEC's net metered customers. Out of a little over 1,000 net metered customers, approximately 1/3 have selected March as the true-up month and 2/3 have selected September as the true-up month. More recently, since 2012, the percentage of net metered customers selecting a March true-up month versus a September true-up month has been declining. When looking at the 1/3 overall who have selected March as the true-up month since 2010, the majority of those customers reside in Cochise County. Cochise County's average weather highs and lows range from 65 to 95 degrees Fahrenheit in the summer months and 30 to 60 degrees Fahrenheit in the winter months. If a customer utilizes electric heat during the winter months and is interested in a March true-up, there would need to be excess net metered kWh carried over from the summer months to utilize during the winter months rather than pay the retail kWh purchase price to SSVEC. Depending upon the demand for cooling during the summer, there may or may not be kWh available for carryover.

A third consideration for Staff is the level of potentially impacted customers. SSVEC estimates currently anywhere between 10-18 new reservations for renewable energy incentive dollars each month with that number doubling toward the end of the year. Most of the reservations are occurring in Cochise County. If the March true-up was still available in 2015, and the same trend of less than 1/3 of the customers selecting a March true-up continues, SSVEC might see around 75 customers selecting a March true-up in 2015. SSVEC currently serves approximately 50,000 customers in Arizona so the number of customers potentially impacted by this change is a small percentage of all SSVEC customers.

In addition, SSVEC is not proposing to eliminate the true-up option but to put SSVEC on par with all of the other utilities with only one true-up month option. SSVEC will grandfather those customers who have already opted for a March true-up allowing them to either retain the March true-up or even switch to the September true-up if that is more economical for the customer. SSVEC will also allow customers, prior to enacting the grandfathering, with a September true-up month to switch to a March true-up month if that is more economical for the customer. SSVEC will continue to true-up customers at the annual average avoided cost rate.

Finally, Staff shares in SSVEC's concern that customers and installers may be confused about the true-up options and the impact of the varying month of true-up. The concept of net metering and the value of carrying over excess kWh versus a true-up at the avoided cost rate is probably a concept which needs to be further explained to existing net metered customers, customers reserving incentive dollars for future renewable energy installations, and installers.

### Staff Recommendations

When considering all of the above information regarding the declining number of customers selecting a March true-up, the reasoning behind the two month true-up option, the level of potentially impacted customers, and the fact that the two month true-up is inconsistent with other Arizona utilities and cooperatives, Staff recommends approval of SSVEC's request to eliminate the March true-up option going forward. Staff is in agreement that the customers currently utilizing a

March true-up month need to be allowed to keep that March true-up month going forward. If a customer with a March true-up month would like to switch to a September true-up month prior to December 31, 2014, SSVEC should honor that request. If a customer with a September true-up month would like to switch to a March true-up month prior to December 31, 2014, SSVEC should also honor that request.

Staff recommends that the March true-up option be eliminated for new net metered customers effective January 1, 2015.

Based on the potential for confusion as discussed earlier, Staff recommends that SSVEC make available on its website, within 15 days of the effective date of the Decision, educational materials further explaining the benefits of net metering and the details of this change to one true-up month going forward.

Staff further recommends that SSVEC notify renewable installers of the change to the true-up month option.

Since SSVEC has already completed mailing a notification to net metered customers and published the notification in newspapers of general circulation in the SSVEC service area as indicated in Attachment 1 from SSVEC's 2014 Petition, Staff recommends that SSVEC insert a message on customer bills for the seven billing cycles occurring after a Decision in this case. The message on the bills will inform customers that SSVEC has been given approval by the Commission to eliminate the March true-up month option for new net metered customers going forward and direct customers to the SSVEC website for further information.

Staff further recommends SSVEC be required to file, with Docket Control, a revised Net Metering Tariff in compliance with the Decision in this case within 15 days of the effective date of the Decision.



Steven M. Olea  
Director  
Utilities Division

SMO:RSP:sms\WVC

ORIGINATOR: Ranelle Paladino

1                               **BEFORE THE ARIZONA CORPORATION COMMISSION**

2   BOB STUMP

Chairman

3   GARY PIERCE

Commissioner

4   BRENDA BURNS

Commissioner

5   BOB BURNS

Commissioner

6   SUSAN BITTER SMITH

Commissioner

7  
8   IN THE MATTER OF SULPHUR SPRINGS )  
9   VALLEY ELECTRIC COOPERATIVE,       )  
10  INC.'S APPLICATION FOR APPROVAL OF )  
11  THE PROPOSED 2010 REST PLAN        )  
12  (WHICH INCLUDES 2010 REST TARIFFS) )  
13  AND THE NET METERING TARIFF--FOR )  
14  APPROVAL OF A NET METERING        )  
15  TARIFF--PETITION TO AMEND         )  
16  DECISION NO. 71463 PURSUANT TO     )  
17  A.R.S. § 40-252                     )

DOCKET NO. E-01575A-09-0429

DECISION NO. \_\_\_\_\_

ORDER

14   Open Meeting  
15   November 5 and 6, 2014  
16   Phoenix, Arizona

17   BY THE COMMISSION:

FINDINGS OF FACT

18           1.     Sulphur Springs Valley Electric Cooperative, Inc. ("SSVEC" or the "Cooperative") is  
19   certificated to provide electricity as a public service corporation in the state of Arizona.

Introduction

20  
21           2.     On September 15, 2014, SSVEC filed a petition to amend Decision No. 71463  
22   pursuant to A.R.S. § 40-252 ("2014 Petition"). Specifically, SSVEC requests that the Arizona  
23   Corporation Commission ("Commission") amend Decision No. 71463, dated January 26, 2010, to  
24   eliminate the March true-up option for new (those customers requesting to be net metered after the  
25   date of a Commission order amending Decision No. 71463) SSVEC net metered customers. New net  
26   metering customers would be required to use September as the true-up month going forward.  
27   Existing net metering customers having March as their true-up month (those enrolled as net metered  
28   prior to the date of a Commission order amending Decision No. 71463) will be able to keep March as

1 a true-up month. SSVEC will also allow customers, prior to enacting the grandfathering, with a  
2 September true-up month to switch to a March true-up month if that is more economical for the  
3 customer.

4 3. SSVEC is a member-owned Arizona non-profit cooperative with its principal business  
5 office in Willcox, Arizona. SSVEC is a public service corporation providing electric distribution  
6 service to approximately 51,000 customers in parts of Cochise, Santa Cruz, Pima and Graham  
7 counties. SSVEC's Board of Directors oversees all aspects of SSVEC's operations.

8 **Background for Modification to Decision No. 71463**

9 4. On September 4, 2009, SSVEC filed an application with the Commission requesting  
10 approval of a Net Metering Tariff along with a proposed 2010 Renewable Energy Standards and Tariff  
11 ("REST") Implementation Plan ("2010 REST Plan"). SSVEC amended its Net Metering Tariff filing  
12 on December 16, 2009. SSVEC's Net Metering Tariff was approved by the Commission in Decision  
13 No. 71463, dated January 26, 2010 and most recently revised with updated avoided costs in Decision  
14 No. 74704, dated August 26, 2014.

15 5. Net Metering allows electric utility customers to be compensated for generating their  
16 own energy from renewable resources, fuel cells, or Combined Heat and Power. If the customer's  
17 energy production exceeds the energy supplied by SSVEC during a billing period, the customer's bill  
18 for subsequent billing periods is credited for the excess generation. That is, the excess kWh generated  
19 during the billing period is used to reduce the kWh billed by SSVEC during subsequent billing  
20 periods.

21 6. In accordance with Decision No. 71463, SSVEC's net metered customers have the  
22 option of selecting either September or March (or for a customer's final bill upon discontinuance of  
23 service), as the true-up month for the balance of any remaining excess kWh. SSVEC credits the  
24 customer for any remaining excess kWh at SSVEC's annual average avoided cost, which is specified in  
25 the Net Metering Tariff. Arizona Administrative Code R14-2-2302(1) defines avoided cost as "the  
26 incremental cost to an Electric Utility for electric energy or capacity or both which, but for the  
27 purchase from the Net Metering facility, such utility would generate itself or purchase from another  
28 source."

7. Presently, SSVEC is unique among Arizona electric utilities by having two true-up periods (i.e. March and September). Decision No. 71463, dated January 26, 2010, required SSVEC to offer customers a choice between a winter (March) true-up and a summer (September) true-up under Decision No. 71463 dated January 26, 2010.

8. On July 1, 2014, SSVEC filed an application in Docket No. E-01575A-14-0232 for approval to (1) update the avoided cost that is contained in its Net Metering Tariff; (2) add a Fixed Cost Recovery Fee; and (3) designate September as the only true-up month.

9. In Decision No. 74704, dated August 26, 2014, SSVEC's application was denied in part by the Commission. Decision No. 74704 granted the updated Net Metering Avoided Cost of \$0.0307 per kWh to be effective September 1, 2014. However, Decision No. 74704 denied SSVEC's request in the same docket to eliminate the March true-up for net metered customers and the implementation of a Fixed Cost Recovery Fee. Both items were denied without prejudice allowing SSVEC to file a new application for each item in the future.

10. On October 16, 2014, during the Commission Staff Meeting, the Commission voted to reconsider Decision No. 71463 pursuant to A.R.S. § 40-252.

**Background for the Elimination of the March True-Up**

11. Since the implementation of SSVEC's net metering tariff in January 2010, SSVEC's net metered customers have had the option of selecting one of two true-up months: either March or September. Customers indicate at the time that they sign up to participate in the Net Metering Tariff which month they would like as the true-up month. The true-up rate, as stated above, credits the customer for any remaining excess kWh at SSVEC's annual average avoided cost. The true-up rate is the same whether the customer chooses a March true-up month or a September true-up month.

12. In the 2014 Petition, SSVEC stated that SSVEC originally selected September as its preferred month for the annual true-up. During the January 12, 2010 Open Meeting, one customer indicated a desire to true-up his net metering account in March rather than September because the customer wanted to utilize excess kWh during the winter months rather than cash out the excess kWh at the wholesale avoided cost. SSVEC further stated that based upon this one request, an amendment was offered and approved by the Commission establishing two true-up month options for net



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2 instead of a single true-up month.

3 13. SSVEC further stated that having two true-up months has led to confusion among its  
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8 months to select from and are not advising customers which month to select that best matches the  
9 customer's usage pattern.

10 Notice

11 14. In its 2014 Petition, SSVEC included Attachment 1 detailing the notice that was going  
12 to be mailed to net metered customers and intervenors. The notice explains that SSVEC is petitioning  
13 to amend Decision No. 71463 to eliminate the March true-up month option for net metered  
14 customers and the reasoning for requesting the change. The notice also detailed how to obtain a copy  
15 of the petition and how to submit comments and/or request to intervene. The notice was mailed on  
16 September 29, 2014. The notice was also published in the Sierra Vista Herald, the San Pedro Valley  
17 News-Sun, and the Arizona Range News on September 24, 2014 and is available on SSVEC's website.

18 Staff Analysis of the Modification to Decision No. 71463

19 15. Staff has reviewed SSVEC's 2014 Petition. Staff's analysis included an examination of  
20 why the two true-up months were put in place in Decision No. 71463 in January 2010. In addition,  
21 Staff looked at who is currently utilizing the March true-up month to see if there are potential  
22 customers who may be harmed by not having that option going forward.

23 16. SSVEC is the only utility currently with a requirement to offer two true-up months to  
24 select from when enrolling in the net metering tariff (other utilities' true-up month varies throughout  
25 the year). While the exact comments of the customers in attendance at the Open Meeting are not  
26 available for a complete review, Staff is aware that there was concern at the Open Meeting about  
27 customers who showed an interest in being able to utilize excess kWh throughout the winter months

28 ...

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2 amendment which passed and was incorporated into Decision No. 71463 on page 5 in paragraph 14.

3 17. In addition to comments being expressed during Open Meeting, comments were also  
4 filed in Docket No. E-01575A-09-0429, SSVEC's 2010 REST Plan and net metering tariff application  
5 docket. Comments were filed in support of and against the 2010 REST Plan. There were limited  
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7 particular comment docketed on December 24, 2009, detailed a concern over the impact of a  
8 September true-up on net-zero energy customers who heat with electricity. Customers with electric  
9 heat may have a preference to carry over excess kWh from the summer months, if any are available, to  
10 the winter months when they are using kWh to heat their homes. A September true-up would not  
11 facilitate carry-over for those customers. The comments were from a developer of a net-zero energy  
12 community in SSVEC's service territory.

13 18. Secondly, Staff looked specifically at SSVEC's net metered customers. Out of a little  
14 over 1,000 net metered customers, approximately 1/3 have selected March as the true-up month and  
15 2/3 have selected September as the true-up month. More recently, since 2012, the percentage of net  
16 metered customers selecting a March true-up month versus a September true-up month has been  
17 declining. When looking at the 1/3 overall who have selected March as the true-up month since 2010,  
18 the majority of those customers reside in Cochise County. Cochise County average weather highs and  
19 lows range from 65 to 95 degrees Fahrenheit in the summer months and 30 to 60 degrees Fahrenheit  
20 in the winter months. If a customer utilizes electric heat during the winter months and is interested in  
21 a March true-up, there would need to be excess net metered kWh carried over from the summer  
22 months to utilize during the winter months rather than pay the retail kWh purchase price to SSVEC.  
23 Depending upon the demand for cooling during the summer, there may or may not be kWh available  
24 for carryover.

25 19. A third consideration for Staff is the level of potentially impacted customers. SSVEC  
26 estimates currently anywhere between 10-18 new reservations for renewable energy incentive dollars  
27 each month with that number doubling toward the end of the year. Most of the reservations are  
28 occurring in Cochise County. If the March true-up was still available in 2015, and the same trend of

1 less than 1/3 of the customers selecting a March true-up continues, SSVEC might see around 75  
2 customers selecting a March true-up in 2015. SSVEC currently serves approximately 50,000  
3 customers in Arizona so the number of customers potentially impacted by this change is a small  
4 percentage of all SSVEC customers.

5 20. In addition, SSVEC is not proposing to eliminate the true-up option but to put  
6 SSVEC on par with all of the other utilities with only one true-up month option. SSVEC will  
7 grandfather those customers who have already opted for a March true-up allowing them to either  
8 retain the March true-up or even switch to the September true-up if that is more economical for the  
9 customer. SSVEC will also allow customers, prior to enacting the grandfathering, with a September  
10 true-up month to switch to a March true-up month if that is more economical for the customer.  
11 SSVEC will continue to true-up customers at the annual average avoided cost rate.

12 21. Finally, Staff shares in SSVEC's concern that customers and installers may be confused  
13 about the true-up options and the impact of the varying month of true-up. The concept of net  
14 metering and the value of carrying over excess kWh versus a true-up at the avoided cost rate is  
15 probably a concept which needs to be further explained to existing net metered customers, customers  
16 reserving incentive dollars for future renewable energy installations, and installers.

17 **Staff Recommendations**

18 22. When considering all of the above information regarding the declining number of  
19 customers selecting a March true-up, the reasoning behind the two month true-up option, the level of  
20 potentially impacted customers, and the fact that the two month true-up is inconsistent with other  
21 Arizona utilities and cooperatives, Staff has recommended approval of SSVEC's request to eliminate  
22 the March true-up option going forward. Staff is in agreement that the customers currently utilizing a  
23 March true-up month need to be allowed to keep that March true-up month going forward. If a  
24 customer with a March true-up month would like to switch to a September true-up month prior to  
25 December 31, 2014, SSVEC should honor that request. If a customer with a September true-up  
26 month would like to switch to a March true-up month prior to December 31, 2014, SSVEC should  
27 also honor that request.

28 ...

1           23.     Staff has recommended that the March true-up option be eliminated for new net  
2 metered customers effective January 1, 2015.

3           24.     Based on the potential for confusion as discussed earlier, Staff has recommended that  
4 SSVEC make available on its website, within 15 days of the effective date of the Decision, educational  
5 materials further explaining the benefits of net metering and the details of this change to one true-up  
6 month going forward.

7           25.     Staff has further recommended that SSVEC notify renewable installers of the change  
8 to the true-up month option.

9           26.     Since SSVEC has already completed mailing a notification to net metered customers  
10 and published the notification in newspapers of general circulation in the SSVEC service area as  
11 indicated in Attachment 1 from SSVEC's 2014 Petition, Staff has recommended that SSVEC insert a  
12 message on customer bills for the seven billing cycles occurring after a Decision in this case. The  
13 message on the bills will inform customers that SSVEC has been given approval by the Commission  
14 to eliminate the March true-up month going forward and direct the customers to the SSVEC website  
15 for further information.

16          27.     Staff has further recommended SSVEC be required to file, with Docket Control, a  
17 revised Net Metering Tariff in compliance with the Decision in this case within 15 days of the  
18 effective date of the Decision.

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CONCLUSIONS OF LAW

1  
2 1. Sulphur Springs Valley Electric Cooperative, Inc. is an Arizona public service  
3 corporation within the meaning of Article XV, Section 2, of the Arizona Constitution.

4 2. The Commission has jurisdiction over Sulphur Springs Valley Electric Cooperative,  
5 Inc. and over the subject matter of the application.

6 3. The Commission, having reviewed the application and Staff's Memorandum dated  
7 October 24, 2014, concludes that it is in the public interest to amend Decision No. 71463 pursuant to  
8 A.R.S. § 40-252 allowing Sulphur Springs Valley Electric Cooperative, Inc. to eliminate the March  
9 true-up option for new net metered customers.

ORDER

10  
11 IT IS THEREFORE ORDERED that Decision No. 71463 is hereby amended to eliminate  
12 the March true-up month option for new Sulphur Springs Valley Electric Cooperative, Inc.net  
13 metered customers as of January 1, 2015, as discussed herein.

14 IT IS FURTHER ORDERED that Sulphur Springs Valley Electric Cooperative, Inc. allow  
15 existing net metered customers the opportunity to switch between a March or September true-up  
16 month until December 31, 2014.

17 IT IS FURTHER ORDERED that Sulphur Springs Valley Electric Cooperative, Inc. allow all  
18 customers who, as of December 31, 2014, have designated a March true-up month for determining  
19 their credit for the excess kWh keep March as their true-up month for so long as they remain a net  
20 metering customer.

21 IT IS FURTHER ORDERED that Sulphur Springs Valley Electric Cooperative, Inc. make  
22 available on its website, within 15 days of the effective date of the Decision, educational materials  
23 further explaining the benefits of net metering and the details of this change to one true-up month  
24 going forward.

25 IT IS FURTHER ORDERED that Sulphur Springs Valley Electric Cooperative, Inc. notify  
26 renewable installers of the change to the true-up month option.

27 ...

28 ...

1 IT IS FURTHER ORDERED that Sulphur Springs Valley Electric Cooperative, Inc. insert a  
2 message on customer bills for the seven billing cycles occurring after a Decision in this case informing  
3 customers that Sulphur Springs Valley Electric Cooperative, Inc. has been given approval by the  
4 Commission to eliminate the March true-up month option for new net metered customers after  
5 January 1, 2015, and direct the customers to the Sulphur Springs Valley Electric Cooperative, Inc.  
6 website for further information.

7 IT IS FURTHER ORDERED that Sulphur Springs Valley Electric Cooperative, Inc. file, with  
8 Docket Control, a revised Net Metering Tariff in compliance with this Decision within 15 days of the  
9 effective date of the Decision.

10 IT IS FURTHER ORDERED that all other requirements of Decision No. 71463 shall remain  
11 in effect.

12 IT IS FURTHER ORDERED that this Order shall become effective immediately.

13 **BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION**

14  
15  
16 CHAIRMAN

COMMISSIONER

17  
18 COMMISSIONER

COMMISSIONER

COMMISSIONER

19 IN WITNESS WHEREOF, I, JODI JERICH, Executive  
20 Director of the Arizona Corporation Commission, have  
21 hereunto, set my hand and caused the official seal of this  
22 Commission to be affixed at the Capitol, in the City of  
23 Phoenix, this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

24 \_\_\_\_\_  
JODI JERICH  
Executive Director

25  
26 DISSENT: \_\_\_\_\_

27 DISSENT: \_\_\_\_\_

28 SMO:RSP:sms\WVC

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